

NOTICE OF PROPOSED RULEMAKING
MARICOPA COUNTY AIR POLLUTION CONTROL REGULATIONS
RULE 280 –FEES

PREAMBLE

- | | |
|--------------------------------|---------------------------------|
| <u>1. Rule Affected</u> | <u>Rulemaking Action</u> |
| Rule 280 | Amend |
- 2. Statutory authority for the rulemaking:**

Authorizing statutes: A.R.S. §§ 49-402, 49-473(B), 49-476.01(A), 49-476.01(C), 49-479, 11-251.08(A)

Implementing Statute: A.R.S. §§ 49-480(D), 49-480(E), 49-480(J), 49-112(A), 49-112(B), 11-251.08(B)
- 3. List of all previous notices appearing in the register addressing the proposed rule:**

Notice of Docket Opening: December 27, 2004

Arizona Administrative Register (A.A.R.), Volume 10, Issue 52
- 4. Name and address of department personnel with whom persons may communicate regarding the rulemaking:**

Name: Dena Konopka, Maricopa County Air Quality Department

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- 5. Explanation of the rule, including the department's reasons for initiating the rule:**

Summary: The Maricopa County Air Quality Department (MCAQD) is proposing to change the fees it charges to owners and operators of sources of air pollution. The fees that would be affected are fees for billable permit actions, annual administrative for Title V and Non-Title V sources, emissions-based fees for Title V sources, general permit fees, gasoline delivery vessel fees, permit to burn fees, earth moving permit fees, asbestos notification and plan review filing fees, and other miscellaneous administrative fees. MCAQD is proposing to reclassify some sources to different fee table categories based on the Department's experience in applying the revised classifications adopted in May 2003. MCAQD is also proposing to reclassify to a higher fee category sources that receive three (3)

complaints on different dates during a one year period from different individuals resulting in violations resolved by an order of abatement by consent or judicial action.

Background: The need for permit fee rules is based on the County's mandate to comply with state law and the federal Clean Air Act. The County is required to develop and implement a permit program in which fees paid by sources will support program development and implementation costs. The program fee requirement is statutorily mandated by Arizona Revised Statutes (A.R.S.) § 49-480(D)(1) and (D)(2). A.R.S. § 49-480(D)(1) requires the County to establish a fee system for Title V sources that is consistent with and equivalent to that prescribed under § 502 of the Clean Air Act (CAA). A.R.S. § 49-480(D)(2) requires the County to determine a permit fee for non-Title V sources based on all reasonable direct and indirect costs required to administer the permit, but not to exceed twenty-five thousand dollars. Furthermore, A.R.S. § 49-480(D)(2) requires the County to establish an annual inspection fee, not to exceed the average cost of services. Arizona law and the CAA, both provide for increasing permit fees based on the consumer price index. The proposed revisions to Rule 280 conform to these mandates.

Another objective met by these rules is to assure that the Maricopa County's Title V permit fee program is EPA-approvable, thus avoiding a federally-administered program in this state. Title V of the 1990 Clean Air Act amendments provides for a permit system implemented by states, and requires that states recover costs (direct and indirect) incurred to develop and administer the operating permit program, including the following costs:

- Preparing rules and implementing procedures for the permit program, including enforcement provisions.
- Reviewing and acting upon permit applications, including permit revisions, renewals, etc.
- Administering and operating the program (e.g., all activities pertaining to issuing permits; supporting and tracking permitted sources; compliance certifications; and related data entry).
- Implementing and enforcing permit terms, excluding court costs or other costs associated with enforcement actions.
- Performing emissions and ambient monitoring.
- Performing modeling, analyses, and demonstrations.
- Preparing inventories and tracking emissions.
- Developing and administering a Small Business Assistance Program (SBAP)

A complication to County rulemaking authority relates to a statutory provision that links county permit fees to those that the Arizona Department of Environmental Quality (ADEQ) sets. A.R.S. § 49-112 was added by the legislature in 1994, placing limits on county environmental rules. Subsection (B) limits the amount the counties may charge for their permit fees to an amount "approximately equal or

less than” the fee the state program may charge. “Approximately equal” is defined in A.R.S. § 49-101 as “not greater than ten percent more than the fees or costs charged by the state for similar state permits or approvals.” A small number of sources regulated by Maricopa County fall under A.R.S. 49-112(B).

In 1999, ADEQ, Maricopa, Pima, and Pinal Counties developed updated workload analyses of costs associated with all components of the air quality programs and initiated a stakeholder process to develop a modified structure for revenues that would equitably distribute the cost of the programs to the sources those programs cover. The stakeholder process resulted in a recommended structure that decreased revenues from annual emission-based fees, increase revenues from annual fixed fees (based on the relative burden to administer the permits), and updated the revenue basis for processing permit applications. This recommendation led to the modification of the Arizona and Maricopa County fee rules for air pollution permit processing and annual fees. Maricopa County adopted the resulting fee schedule on May 21, 2003 and the rule became effective on July 1, 2003.

In August 2004, the Maricopa County Board of Supervisors approved a supplemental request for 19 additional full-time equivalent positions to work proactively and directly on compliance and enforcement of the earthmoving fugitive dust program. The supplemental request was to address, in part, U.S. EPA’s July 2, 2002, state implementation plan inadequacy finding (67 FR 44369). The Board of Supervisors directed the Department to complete a user fee analysis and obtain Maricopa County Office of Management and Budget (OMB) concurrence of the proposed fees no later than December 31, 2004. The intent of the user fee analysis is to have new fees reviewed and approved by the Board of Supervisors to be effective no later than July 1, 2005.

In September 2004, the Maricopa County Office of Management and Budget (OMB) retained the services of Deloitte Consulting LLP to complete a fee analysis. Deloitte Consulting LLP worked with OMB and the Departments of Air Quality and Environmental Services to develop a structure to establish fees for fiscal year 2006.

On November 17, 2004, the Maricopa County Board of Supervisors approved the creation of a new department, the Maricopa County Air Quality Department. This action separated air quality functions from the Environmental Services Department and allows the new department to focus exclusively on regional air issues.

Deloitte Consulting developed a fee model to calculate the Department’s direct and indirect costs for each of the fees charged. They assisted by analyzing the Departments’ activity structure and developing rates to recover the total costs of each activity, including overhead. This includes

additional expenses necessary to achieve projected fiscal year 2006 outputs and results as well as adjustment factors such as salary and benefit increases, increased staffing, vacancy factors, and increased rental costs and changes in space. The fee model is a Microsoft Excel workbook with an input area for budget (or actual) cost items, demands, and adjustment factors, which calculates the direct costs for each fee. The calculation of direct fees reflects the time study information that the Department has completed. The allocation of indirect costs includes the County-wide allocation by fund plus the Departmental and Divisional overhead as determined jointly by the Department, OMB and Deloitte Consulting.

In January 2005, the fee study was completed and MCAQD and OMB concluded that fee increases are necessary to provide sufficient revenue to cover the costs of the air quality program. The increases are due to lower than expected revenues in fiscal year 2004 and 2005 and anticipated increased costs in fiscal year 2006. Specifically, the increases are due to the following:

- Revenues from permit processing fees were lower than expected due to fewer billable hours being available for cost recovery and some billable hours not being tracked and invoiced.
- Revenue from annual administrative fees and emission fees were lower than expected for Title V due to a switch to new cleaner electrical generating units, permit cancellations, and a shift to less expensive permits.
- The prior workload analysis relied on the receipt of grant funds from the Arizona Air Quality Fund established under A.R.S. § 49-551. The grant funds added to the Air Quality Fund have not been appropriated by the Legislature for the past two years indicating that the grant funds can not be relied upon to fund programs.
- An estimated 2.5% reduction in grant funding from the U.S. Environmental Protection Agency as a result of congressional reductions to the federal budget.
- The Department anticipates significant increased costs as a result of actions taken to address to U.S. EPA's July 2, 2002, state implementation plan inadequacy finding (67 FR 44369). Namely, increased staffing to work proactively and directly on compliance and enforcement of the earthmoving fugitive dust and vacant lot programs, and increased inspection frequencies at nonmetallic mineral processing facilities.
- The Department anticipates significant increased costs as a result the November 17, 2004, action by the Maricopa County Board of Supervisors to create a new department, the Maricopa County Air Quality Department.
- Increased costs due to increased inspection frequency for all Title V sources from one inspection every two years to one inspection per year to be consistent with Arizona Department of Environmental Quality.
- Increased salaries based on market studies and increased costs associated with employee related benefits.

For a Title V source, the fee structure includes an hourly-based permit processing fee. The source must also pay an annual administrative fee plus an annual emissions-based fee. The proposed fee structure for new and modified Non-Title V sources includes an hourly-based fee not to exceed a total of \$25,000. The Non-Title V source must also pay an annual administrative which includes a portion of the permit processing fee for permit renewal. For a source that is covered under a general permit, the fee structure is based on fixed amounts for obtaining an authorization to operate and an annual administrative fee. The Non-Title V and general permit annual fees include 1/5 of permit processing fee for permit renewal as well as the annual costs for inspection, emission inventory, and regulatory activities. The structure allows the Non-Title V source to pay approximately the same fee each year and avoid the second fee due every 5 years at permit renewal.

Section by Section Explanation of Changes:

Rule 280, Section 301 Title V Permit Fees The following table illustrates what fees a Title V source would pay under the proposed rule.

Title V Permit Fees

Permit Action	Type of Fee	Fee	Payment Time
New Facility	Permit Processing	\$108.00/hour, \$40,000.00 cap	Prior to permit issuance
	Annual Fees	Fixed Fee + \$13.24/ton, max 4,000 tons per pollutant, excluding certain fugitive emissions, no emissions already counted as VOC or PM ₁₀ , CO exempted	After initial start-up, every anniversary date for fixed fee and April 30 th for emission fees
Existing Facility	Permit Processing (Renewals)	\$108.00/hour, \$40,000.00 cap	Prior to issuance
	Annual Fees	Fixed Fee + \$13.24/ton, max 4,000 tons per pollutant, excluding certain fugitive emissions, no emissions already counted as VOC or PM ₁₀ , Co exempted	Every anniversary date for fixed fee and April 30 th for emission fees

Permit Revisions	Permit Processing	\$108.00/hour, \$40,000.00 cap	Prior to issuance
Administrative Amendments, Changes per Rule 210, Subsection 403, Transfers	No Fee		

Rule 280, Section 301 Title V Permit Fees, 301.1 Fees for Billable Permit Actions:

This proposed amendment would raise the permit processing fee base from \$66.00 (the 2005 CPI-adjusted fee is \$70.20) to \$108.00 per hour for all permit processing time required for a billable permit action.

Rule 280, Section 301 Title V Permit Fees, 301.2 Annual Fees:

This proposed amendment would raise annual administrative fees as shown below and raise emissions-based fee from \$11.75 (the 2005 CPI-adjusted fee is \$12.49) to \$13.24 per ton of actual emissions of all regulated pollutants emitted during the previous calendar year as determined by Section 305. The proposed amendment would also establish a new annual fee for turbines at primary fuel natural gas utilities installed/modified after May 10, 1996 and subject to annual source testing or continuous emissions monitoring relative accuracy test audit (CEM RATA) certifications. These turbines are subject to new source review and prevention of significant deterioration (NSR/PSD) permit conditions that require annual source testing for each unit and audits of their associated continuous emission monitors. These testing requirements consume significant Department resources. The increase of 30 new and modified turbines requiring testing significantly raised the average testing workload per utility in Maricopa County above the average testing hours for natural gas fired utilities permitted by ADEQ. Further due to the significant range from 2 to 8 in the number of turbines at an individual utility, the Department separated the testing workload from the base per utility fee to more equitably assess fees on a per unit tested basis.

Title V Source Category	Annual Administrative Fee
Aerospace	\$10,700 <u>\$13,580</u>
Cement Plants	\$39,500 <u>\$44,520</u>
Combustion/Boilers	\$9,200 <u>\$10,820</u>
Compressor Stations	\$8,700 <u>\$9,420</u>
Expandable Foam	\$9,200 <u>\$9,960</u>
Landfills	\$9,300 <u>\$11,800</u>
Lime Plants	\$37,000 <u>\$41,700</u>
Copper & Nickel Mines	\$9,300 <u>\$10,480</u>
Gold Mines	\$12,700 <u>\$10,480</u>
Paper Mills	\$12,700 <u>\$14,310</u>
Petroleum Products Terminal Facilities	\$10,800 <u>\$17,480</u>

Polymeric Fabric Coaters	\$9,500 <u>\$11,560</u>
Reinforced Plastics	\$4,900 <u>\$9,040</u>
Semiconductor Fabrication	\$10,800 <u>\$18,830</u>
Copper Smelters	\$39,500 <u>\$44,520</u>
Utilities – Primary Fuel Natural Gas	\$11,200 <u>\$8,450 +</u> <u>\$15,130 per turbine installed/modified after</u> <u>May 10, 1996 and subject to annual source</u> <u>testing or CEM RATA* certification.</u>
Utilities - Fossil Fuel Except Natural Gas	\$20,200 <u>\$22,760</u>
Vitamin/Pharmaceutical Manufacturing	\$6,200 <u>\$11,050</u>
Wood Furniture	\$6,200 <u>\$9,820</u>
Others	\$9,900 <u>\$12,250</u>
Others with Continuous Emissions Monitoring	\$12,700 <u>\$14,320</u>

*Continuous emissions monitoring relative accuracy test audit (CEM RATA)

Section 302 Non-title V Permit Fees Subsections 302 detail fees for Non-Title V permits. The following tables illustrate what fees Non-Title V sources will be responsible to pay.

Non-Title V Permit Fees

Permit Action	Type of Fee	Fee	Payment Time
New Facility	Permit Processing	Tables A, B, C, C, E, F, & G \$108.00/hour, \$25,000 cap. The minimum fee due shall be a \$200.00 application fee.	Application Fee and any balance due prior to permit issuance
	Annual Fees	Fixed Fee	After initial start-up, every anniversary date for fixed fee

Existing Facility	Annual Fees, include permit renewals	Fixed Fee	Every anniversary date for fixed fee
Permit Revisions	Permit Processing	Tables A, B, C, D, F, & G \$108.00/hour, \$25,000 cap. The minimum fee due shall be a \$200.00 application fee.	Application Fee and any balance due prior to issuance
Administrative Amendments, Changes per Rule 210, Subsection 403, Transfers	No Fee		

Section 302 Non-Title V Permit Fees, 302.1 Fees for Billable Permit Action

The amendments proposed in this section would make several changes to the rule. First, they would add two new fee table categories, Table F and Table G. Second, the proposed amendments would require that a Non-Title V source pay the permit processing fee for a billable permit action [except for the renewal of an existing permit] if the final cost of permit processing are greater than the \$200 application fee. The proposed amendments would require a minimum fee of \$200.00 due with an application. Previously Table C, D, and E sources were only required to pay the application fee from the table in subsection 302.1 (a). The table in subsection 302.1 (a) would be deleted. Any amount due over the application fee would be due prior to issuing the permit. Third, they would raise the permit processing fee base from \$66.00 (the 2005 CPI-adjusted fee is \$70.20) to \$108.00 per hour for all permit processing time required for a billable permit action. Fourth, they would lower the application fee for new permit application and non-minor permit revision application from \$350 to \$200. Finally, they would raise the application fee for minor permit revision application from \$150 to \$200.

Section 302 Non-title V Permit Fees, 302.2 Annual Fees

The proposed amendments would raise Non-Title V annual administrative fees as shown below and add two new fee table categories (Table F and Table G) and applicable annual administrative fees:

Non-Title V Source Type	Annual Administrative Fee
Source listed in Table A	\$3,100 <u>\$5,880</u>
Source listed in Table B	\$1,300 <u>\$1,660</u>
Source listed in Tables C – E	\$360
<u>Source listed in Table C-D</u>	<u>\$520</u>
<u>Source listed in Table E</u>	<u>\$370</u>

Source listed in Table F	<u>\$7,380</u>
Source listed in Table G	<u>\$4,780</u>

Section 303 General Permit Fees Subsections 303 detail fees for general permits. The following tables illustrate what fees general permit sources will be responsible to pay.

General Permit Fees

General Permit	Permit Processing	Fixed Fee	Application Fee
	Annual Fee, includes renewal fee	Fixed Fee	Anniversary date of initial authorization to operate (ATO) approval

Section 303 General Permit Fees, 303.1 Fees Due with an Application

These proposed amendments would raise the application fee for a general permit as shown below and add two new fee table categories and applicable application fees:

Source Category Table	Application Fee
Title V General Permits	Administrative —Fee from <u>Section 301.2.a table for Title V source category</u>
Table A	\$ 3,000 <u>\$3,580</u>
Table B	\$1,000 <u>\$1,190</u>
Table C - D	\$300 <u>\$380</u>
Table D	\$335
Table E	\$290 <u>\$290</u>
<u>Table F</u>	<u>\$6,200</u>
<u>Table G</u>	<u>\$4,030</u>

Section 303 General Permit Fees, 303.2 Annual Fee

These proposed amendments would raise the administrative and permit renewal fee for general permits as shown below and add two new fee table categories and applicable administrative and permit renewal fees:

Source Category Table	Application Fee
Title V General Permits	Administrative —Fee from <u>Section 301.2.a table for Title V source category</u>
Table A	\$ 3,000 <u>\$3,580</u>

Table B	\$1,000 <u>\$1,190</u>
Table C - D	\$300 <u>\$380</u>
Table D	<u>\$335</u>
Table E	\$290 <u>\$290</u>
<u>Table F</u>	<u>\$6,200</u>
<u>Table G</u>	<u>\$4,030</u>

Section 304 Annual Adjustments of Fees

First, the proposed amendment establishes that fees will be adjusted by the Consumer Price Index (CPI) every January 1, beginning on January 1, 2006. Second, the proposed amendment establishes 2004 as base year that will be used to adjust by the CPI.

Section 308 Gasoline Deliver Vessel Fee

This proposed amendment would raise the gasoline delivery vessel fee from \$115.00 to \$280.00.

Section 309 Permit to Burn Fee

These proposed amendments would raise the permit to burn fee as shown below

Fire Category	Permit Period	Fee
Tumbleweeds	30 days	\$ 50.00 <u>\$100.00</u>
Fire Hazard	30 days	\$ 50.00 <u>\$100.00</u>
Fire Fighting Instruction	1 year	\$ 50.00 <u>\$100.00</u>
Ditch Bank/Fence Row	1 year	\$ 50.00 <u>\$100.00</u>
Disease/Pest Prevention	30 days	\$ 62.00 <u>\$100.00</u>
Land Clearance	30 days	
Less than 5.0 acres		\$74.00 <u>\$150.00</u>
5.0 acres or greater		\$144.00 <u>\$350.00</u>
Air Curtain Destructor	30 days	\$249.00 <u>\$350.00</u>

Section 310 Earth Moving Permit Fee

The amendments proposed in this section would make several changes to the rule. First, they replaced references to earth moving permit to dust control permit. Second, they would add a Temporary Special Event Permit fee of \$620. Third, they would raise the dust control permit fees as shown below:

Total Surface Area Disturbed	Fee
Annual Block Permit fee	\$2000.00

0.1 to less than one acre	\$75.00 \$150.00
One acre or greater	\$36.00 per acre plus \$110.00 <u>\$150.00</u>

Section 311 Asbestos Notification and Plan Review Filing Fee

The amendments proposed in this section would raise the asbestos notification and plan review filing fee from \$425.00 to \$1,060.00.

Section 312 Late Fee

First, the amendments proposed in this section would raise the late fee from \$70.00 to \$100.00. Second, the amendments propose to require a \$100.00 late fee for an applicant for a required permit who has received a Notice of Violation for failing to file a timely application to renew such permit. Third, the proposed amendments replace references to earth moving permit with dust control permit. Fourth, the proposed amendments replace conducting earth moving activity with engaging in dust generating operations. Lastly, the amendments replace operating the earth moving equipment with engaging in dust generating operations.

Section 313 Delinquency Fee

The amendments proposed in this section would raise the 30-day delinquency fee from \$35.00 to \$50.00 and raise the 60-day delinquency fee from \$70.00 to \$100.00.

Section 400 Administrative Requirements, 401 Transition to Revised Fees

The effective date for the revised fees, except for the emission fee, shall become effective July 1, 2005. The revised emissions fee shall become effective January 1, 2006, beginning with the emissions reported for calendar year 2005.

Section 403 Table A, Table B, Table C, Table D, Table E, Table F, and Table G Sources

The amendments proposed in this section would make several changes to the rule. First, they establish two new fee categories, Table F and Table G. Table F and Table G sources are defined in Section 403.6 and 403.7 of the rule, respectively. Table F and Table G include sources previously contained in Table A and Table B. The proposed amendment raises the annual fees for sources reclassified from Table A and B to Table F or Table G. The sources specifically affected by the proposed new fee categories are shown below:

Sources Reclassified from Table A to Table F:

- Hot Mix Asphalt Plant;
- Semiconductor Manufacturing \geq 25 Tons per Year Potential Uncontrolled VOC Emissions or Facility With Controls

Sources Reclassified from Table B to Table F:

- Aggregate Production/Crushing subject to an NSPS under CAA Section 112

Sources Reclassified from Table B to Table G:

- Aggregate Production/Crushing not subject to an NSPS under CAA Section 112;
- Concrete Batch Plant

Second, the proposed amendments in Section 403 establish a mechanism to reclassify sources to a higher fee category if the Department receives three (3) complaints on different dates during a one year period from different individuals resulting in violations resolved by an order of abatement by consent or judicial action. The proposed amendments in Section 403 would require that source reclassified to a higher fee category due to the receipt of multiple complaints would remain in that classification until to calendar years pass without complaints resulting in violations resolved by an order of abatement by consent or judicial action.

Third, the proposed amendments remove Tennis Ball Manufacturing from Table A because the only Tennis Ball Manufacturing facility operating in Maricopa County is a Title V source.

Fourth, the proposed amendments add the following source categories to Table B:

- Boiler, gas fired, with ≥ 10 MMbtu/hr (includes units subject to the NSPS)
- Tire shredding/retreading
- Reinforced Plastics
- Rubber Products Manufacturing with only molding

Fourth, the proposed amendments modified the following fee table source categories:

- In Table B, revised “Internal Combustion Engine, cogeneration” to “Internal Combustion Engine, other than emergency”
- In Table B – revised “Plating Tanks, Electrolytic or Electrowinning” to “Plating Tanks, Electrolytic or Electrowinning (includes decorative chrome and hard chrome operations ≤ 60 million amp/hrs per year subject to MACT”.
- In Table D, revised “Service Station and larger Non-resale dispensing operations” to “Service Station and Non-resale dispensing operations $> 120,000$ gallons per year”

The proposed amendments also separate the following source categories from one fee table into two separate fee tables as shown:

Current Fee Table Category	Proposed Fee Table Category	Proposed Fee Table Category
Table A	Table A	Table B

Polymeric Foam Products	Polymeric Foam Products \geq 25 tons per year potential uncontrolled VOC emissions or facility with controls	Polymeric Foam Products without control and $<$ 25 tons per year potential uncontrolled VOC emissions
Table A	Table A	Table F
Semiconductor manufacturing	Semiconductor manufacturing without VOC controls and $<$ 25 Tons per year of potential uncontrolled VOC emissions	Semiconductor Manufacturing \geq 25 tons per year potential uncontrolled VOC emissions or facility with controls

6. Demonstration of compliance with A.R.S. §49-112:

Based on information and belief, the Control Officer of the Maricopa County Air Quality Department affirms the following:

- A. Maricopa County is in compliance with A.R.S. §49-112(A) in that Maricopa County Air Quality Department is proposing to adopt revisions to fees that fund programs implementing control measures included or proposed for inclusion in the State Implementation Plan (SIP) for the Maricopa County Nonattainment Area. Maricopa County may adopt rules that are more stringent than the State pursuant to A.R.S. §49-112 as enacted in 1994, provided that the emission standard is required by law or is necessary and feasible to prevent a significant threat to public health or the environment that results from a peculiar local condition.

Maricopa County fails to meet the National Ambient Air Quality Standards (NAAQS) for ozone and particulates. In January 2005, the EPA administrator signed the final rule approving the Carbon Monoxide (CO) Maintenance Plan and redesignating Maricopa County to attainment for CO. In addition, Maricopa County is the only ozone nonattainment area in Arizona.

Maricopa County is also the only PM₁₀ serious nonattainment area in Arizona, consequently stronger regulations must be adopted in this area to address a serious health threat. In July 2002, the Environmental Protection Agency granted Arizona's request to extend the Clean Air Act deadline for attainment of the annual and 24-hour PM₁₀ standards from 2001 to 2006. With of this deadline extension, Arizona is required to submit to the Environmental Protection Agency a revised PM₁₀ State Implementation Plan (SIP) for the Salt River SIP, which must include control strategies that meet the Best Available Control Measures (BACM) test and the Most Stringent Measures (MSM) test for significant sources and source categories and that demonstrate attainment of the 24-

hour federal standard for coarse particulate matter air pollution by December 31, 2006. In addition, the Environmental Protection Agency requires that Best Available Control Measures (BACM) and the Most Stringent Measures (MSM) be applied to similar sources throughout the Maricopa County serious PM₁₀ nonattainment area. Industrial sources were found to be significant contributors to PM-10 violations in the Salt River SIP. The increase in fees for these industrial sources will address emission limitations and enhanced enforcement which reduce concentrations of PM-10 and implement control measures proposed for inclusion in the State Implementation Plan (SIP) for the Maricopa County Nonattainment Area.

The Clean Air Act §§ 161, 165, 173, and 502 require state and local governments that have jurisdiction over stationary sources to adopt permitting programs for new source review, prevention of significant deterioration, and Title V operating permits. Maricopa County's rules for these programs are substantially identical to procedures for the review, issuance, revision and administration of permits issued by the State. However, these procedures contain requirements that address nonattainment area status, increment consumption analysis and impacts on nearby nonattainment areas. These requirements result in permit conditions that address the specific atmospheric and geographical conditions found at the source's location. §502(b)(3)(A) of the Clean Air Act also that all sources required to obtain a permit under Title V pay an annual fee sufficient to recover all reasonable (direct and indirect) costs required to develop and administer the permit program. The section specifically mentions that reasonable costs include emissions and ambient monitoring. Maricopa County Rule 270 refers to the Arizona Testing Manual which has been approved in the federally enforceable State Implementation Plan. Section 1.2 of the manual requires that major sources having multiple emission points must submit facility test schedules assuring annual testing of major emission sources and multi-year rotation of minor emission point verification as required by Permit conditions.

The increase in fees for sources covered by rules or programs that fall into the categories described in the paragraphs above will not exceed the reasonable costs of the county to issue and administer that permit or plan approval program.

- B. Maricopa County is in compliance with A.R.S. §49-112(B) in that Maricopa County Air Quality Department is proposing to adopt rules that are as stringent as a provision of A.R.S. Title 49 or rules adopted by the Director of ADEQ or any Board or Commission authorized to adopt rules pursuant to A.R.S. Title 49. The cost of obtaining permits or other approvals from Maricopa County will approximately equal or be less than the fee or cost of obtaining

similar permits or approvals under Title 49 or any rule adopted pursuant to Title 49 for sources not covered by rules that fall under paragraph A.

7. Reference to any study relevant to the rule that the department reviewed and either proposes to rely on in its evaluation of or justification for the rule or proposes not to rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:

Deloitte Consulting LLP Fee Analysis, February 15, 2005

Maricopa County's Workload and Resource Needs Analysis for Accessing Permit Fees, February 3, 2003

8. Showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable.

9. Preliminary summary of the economic, small business, and consumer impact:

This rulemaking proposes to amend Rule 280 Fees. MCAQD is soliciting comments on the economic impacts of this rulemaking. If you provide information or data for MCAQD to evaluate, please explain your viewpoint and the assumptions you used in your evaluation, along with appropriate examples. MCAQD will provide a more detailed evaluation of the small business and consumer impact statement in the final rulemaking. Appropriate examples that include assumptions will be included in the final economic, small business, and consumer impact evaluation.

In 2002, Maricopa County Environmental Services Department promulgated a rulemaking that revised the air quality permit fee structure and anticipated that these changes would provide adequate revenues to operate its air pollution program. A permit-fee rule is statutorily mandated providing for fees paid by sources to support the permit program development and implementation costs [A.R.S § 49-480(D)(1) and (D)(2)]. The new fee structure was effective July 1, 2003. However, because revenues were lower than expected and a number of events occurred that will significantly increase costs in the near term the Department has concluded that fee increases are necessary to provide sufficient revenue to cover the costs of the air quality program and to maintain compliance with federal and state law.

The Workload and Resource Needs Analysis completed by Maricopa County in February 2003, estimated the costs associated with administering the air permit program (permitting, compliance, monitoring, and planning) to meet the 1990 CAA requirements to be approximately \$7.6 million. In fiscal year 2004, Maricopa County's air quality fee revenue was approximately \$5.8 million and U.S. EPA air quality grant was approximately \$1.0 million. Based on additional resource needs identified in the workload analysis,

MCAQD estimates fiscal year 2006 air quality department expenditures (excluding Trip Reduction Program and Voluntary Vehicle Repair and Retrofit programs which are grant funded) to be approximately \$11.1 million. MCAQD estimates fiscal year 2006 revenues with proposed amendments to be \$11.1 million. The fiscal year 2006 revenue projections include \$9.4 million in fee revenue from proposed amendments, \$1.1 million in U.S. Environmental Protection Agency grant funding, and \$0.6 million in miscellaneous revenues.

An estimated 43% increase in fees for Title V, Non-Title V, and general permit sources, gasoline delivery vessels, permits to burn, dust control permits, and asbestos notification/plan reviews, is expected to directly impact the 9,237 sources permitted by MCAQD.

A 41% increase in annual administrative and emissions-based fees and fees for gasoline delivery vessels, permits to burn, earth moving permits, asbestos notification/plan reviews and a 54% increase in the permit-processing fees are expected to adequately fund MCAQD's air permit program for the near future. MCAQD expects an increase in revenues from these rule changes that will be sufficient to efficiently and effectively operate its air permit program.

Entities impacted include Title V (e.g., utilities, landfills, wood furniture manufactures, petroleum products terminal facilities, and others); Non-Title V (e.g. synthetic minors, stationary sources, and small sources) and general permit sources (e.g. dry cleaning, vehicle refinishing, printing facilities, gas stations, and others); gasoline delivery companies (gasoline delivery vessel fee); municipalities, farmers, and property owners (permit to burn fee); construction companies and home builders (dust control permit fee); asbestos removal contractors (asbestos notification and plan review fee).

Permit Processing Revenue

The amendments propose to increase fees for billable permit actions from \$70.20/hour (the 2005 CPI-adjusted fee) to \$108.00/hour. This proposed increase is approximately ten percent above the state permit processing fee of \$98.80/hour. General permits are not included because general permit processing fees are not proposed to be based upon an hourly rate. Total proposed revenue was calculated at an hourly rate of \$108.00. The number of permit actions were estimated based on fiscal year 2003-04 permit applications received. The data was obtained from the department's Environmental Management System. The department assumed that 90% of the estimated permit processing hours are billable for Title V and Non-Title V permits actions. Under the proposed amendments, permit processing revenue of approximately \$1,482,572 would be generated from the proposed fees for billable permit actions (\$1,064,709 and \$417,863, respectively for Title V and Non-Title V revenue). This represents an increase of approximately

\$518,934 annually (\$372,648 and \$146,286, respectively for Title V and Non-Title V revenues). Tables 1-9 compare current and proposed permit processing revenues for Title V and Non-Title V permit actions.

Table 1 compares Title V permit processing revenue at the current 2005 CPI-adjusted fee (\$70.20 per hour) with projected revenue at the proposed fee (\$108.00 per hour) assuming 90% of the projected billable permit processing hours for Title V new permits, permit revisions, and permit renewals.

Table 1 Comparison of Title V Current and Proposed Permit Processing Revenues

Billable Permit Action	Number of Title V Permit Actions	90% of Projected Billable Permit Processing Hours	Projected Revenue with 2005 CPI-adjusted Fee (\$70.20)	Projected Revenue with Proposed Fee (\$108.00)	Projected Revenue Increase
Minor Revision	16	896	\$62,864	\$96,714	\$33,850
New Permit	3	997	\$70,003	\$107,698	\$37,694
Non-Minor Revision	19	4,753	\$333,654	\$513,313	\$179,660
Renewal	10	3,213	\$225,540	\$346,985	\$121,445
Total	48	9,858	\$692,061	\$1,064,709	\$372,648

Tables 2 and 3 compares Non-Title V Table A and B permit processing revenue at the current 2005 CPI-adjusted fee (\$70.20 per hour) with projected revenue at the proposed fee (\$108.00 per hour) assuming 90% of the projected billable permit processing hours for Non-Title V Table A and B new permits, and permit revisions.

Table 2 Comparison of Current and Proposed Permit Processing Revenues for Non-Title V Table A Sources

Billable Permit Action	Number of Table A Permit Actions	90% of Projected Billable Permit Processing Hours	Projected Revenue with 2005 CPI-adjusted Fee (\$70.20)	Projected Revenue with Proposed Fee (\$108.00)	Projected Revenue Increase
Minor Revision	33	149	\$10,425	\$16,038	\$5,613
New Permit	6	648	\$45,490	\$69,984	\$24,494
Non-Minor Revision	2	61	\$4,296	\$6,610	\$2,313
Total	41	857.7	\$60,211	\$92,632	\$32,421

Table 3 Comparison of Current and Proposed Permit Processing Revenues for Non-Title V Table B Sources

Billable Permit Action	Number of Table B Permit Actions	90% of Estimated Billable Permit Processing Hours	Projected Revenue with 2005 CPI-adjusted Fee (\$70.20)	Projected Revenue with Proposed Fee (\$108.00)	Projected Revenue Increase
Minor Revision	24	108	\$7,582	\$11,664	\$4,082
New Permit	24	1,166	\$81,881	\$125,971	\$44,090
Non-Minor Revision	3	92	\$6,444	\$9,914	\$3,470
Total	51	1,366	\$95,907	\$147,550	\$51,642

The proposed amendments would require that Non-Title V source facilities listed in Table C, D, and E pay the permit processing fee for a billable permit action [except for the renewal of an existing permit] if the final cost of permit processing are greater than the \$200 application fee. Previously Table C, D, and E sources were only required to pay the application fee from the table in subsection 302.1 (a) of the rule. Tables 4-6 compare the Non-Title V Table C, D, and E permit processing revenue at the current billable permit action fee contained in subsection 302.1 (a) with projected revenue at the proposed fee (\$108.00 per hour) assuming 90% of the projected billable permit processing hours for new permits and permit revisions.

Table 4 Comparison of Current and Proposed Permit Processing Revenues for Non-Title V Table C Sources

Billable Permit Action	Number of Permit Actions	90% of Estimated Table C Billable Permit Processing Hours	Current Billable Permit Action Fee Contained in Table 302.1(a)	Projected Revenue from Current Billable Permit Action Fee	Projected Revenue with Proposed Fee (\$108.00)	Projected Revenue Increase
Minor Revision	13	59	\$150	\$1,950	\$6,318	\$4,368
New Permit	112	504	\$350	\$39,200	\$54,432	\$15,232
Non-Minor Revision	1	13	\$350	\$350	\$1,361	\$1,011
Total	126	575.1		\$41,500	\$62,111	\$20,611

Table 5 Comparison of Current and Proposed Permit Processing Revenues for Non-Title V Table D Sources

Billable Permit Action	Number of Permit Actions	90% of Estimated Table D Billable Permit Processing Hours	Current Billable Permit Action Fee Contained in Table 302.1(a)	Projected Revenue from Current Billable Permit Action Fee	Projected Revenue with Proposed Fee (\$108.00)	Projected Revenue Increase
Minor Revision	1	5	\$150	\$150	\$486	\$336

New Permit	6	27	\$350	\$2,100	\$2,916	\$816
Non-Minor Revision	1	13	\$350	\$350	\$1,361	\$1,011
Total	8	44.1		\$2,600	\$4,763	\$2,163

Table 6 Comparison of Current and Proposed Permit Processing Revenues for Non-Title V Table E Sources

Billable Permit Action	Number of Permit Actions	90% of Estimated Table E Billable Permit Processing Hours	Current Billable Permit Action Fee Contained in Table 302.1.a.	Projected Revenue from Current Billable Permit Action Fee	Projected Revenue with Proposed Fee (\$108.00)	Projected Revenue Increase
Minor Revision	1	5	\$150	\$150	\$486	\$336
New Permit	1	5	\$350	\$350	\$486	\$136
Non-Minor Revision	1	13	\$350	\$350	\$1,361	\$1,011
Total	3	21.6		\$850	\$2,333	\$1,483

The proposed amendments establish two new Non-Title V fee table categories, Table F and G. Table F and G include sources previously contained in Table A and Table B. Tables 7 and 8 below show comparisons of Non-Title V Table F and G permit processing revenue at the current 2005 CPI-adjusted fee (\$70.20 per hour) with projected revenue at the proposed fee (\$108.00 per hour) assuming 90% of the projected billable permit processing hours for new permits and permit revisions.

Table 7 Comparison of Current and Proposed Permit Processing Revenues for Non-Title V Table E Sources

Billable Permit Action	Number of Permit Actions	90% of Estimated Table F Billable Permit Processing Hours	Projected Revenue with 2005 CPI-adjusted Fee (\$70.20)	Projected Revenue with Proposed Fee (\$108.00)	Projected Revenue Increase
Minor Revision	8	36	\$2,527	\$3,888	\$1,361
New Permit	5	540	\$37,908	\$58,320	\$20,412
Non-Minor Revision	1	31	\$2,148	\$3,305	\$1,157
Total	14	606.6	\$42,583	\$65,513	\$22,929

Table 8 Comparison of Current and Proposed Permit Processing Revenues for Non-Title V Table G Sources

Billable Permit Action	Number of Permit Actions	90% of Estimated Table G Billable Permit Processing Hours	Projected Revenue with 2005 CPI-adjusted Fee (\$70.20)	Projected Revenue with Proposed Fee (\$108.00)	Projected Revenue Increase
Minor Revision	6	27	\$1,895	\$2,916	\$1,021
New Permit	7	340	\$23,882	\$36,742	\$12,860
Non-Minor Revision	1	31	\$2,148	\$3,305	\$1,157
Total	14	397.8	\$27,926	\$42,962	\$15,037

Table 9 summarizes current and proposed permit processing revenue for all Non-Title V sources combined.

Table 9 Summary of Non-Title V Current and Proposed Permit Processing Revenues

Billable Permit Action	Number of Permit Actions	90% of Estimated Non-Title V Billable Permit Processing Hours	Projected Revenue with Current Permit Processing Fee	Projected Revenue with Proposed Permit Processing Fee (\$108.00)	Projected Revenue Increase
Minor Revision	86	387	\$24,679	\$41,796	\$17,117
New Permit	161	3230.1	\$230,811	\$348,851	\$118,040
Non-Minor Revision	10	252	\$16,087	\$27,216	\$11,129
Total	257	3,869	\$271,577	\$417,863	\$146,286

Annual Revenue

Under the proposed amendments, Title V revenue of \$1,036,000 would be generated from the proposed Title V annual fixed fee and the proposed Title V annual emissions-based fee. The annual fixed fee would increase substantially from current levels, but not greater than ten percent more than the ADEQ Title V fixed fees. The proposed emissions fee of \$13.24/ton is identical to the ADEQ emissions fee.

Table 10 shows the 49 Title V sources by source category, the 2005 CPI-adjusted Title V fees and estimated annual revenue. Table 11 shows the revenue estimates for the same 49 Title V sources using the proposed Title V annual administrative fee and the proposed Title V annual emissions-based fee.

Comparing Table 10 and 11 shows these same 49 sources would generate approximately \$521,761 more in annual revenue under the proposed rule. This increase better reflects the actual cost attributable to Title V sources.

Table 10. Current Annual Administrative and Emissions-Based Fees for Title V Permitted Sources

Source Category	Number of Sources Per Category	2005 CPI-Adjusted Annual Administrative Fee (\$)	Annual Administrative Revenue	Annual Emissions Per Category (Tons)	Annual Emissions Fee Revenue @ \$12.49/ton	Annual Revenue Per Category
Aerospace	2	\$11,370	\$22,740	198.2	\$2,476	\$25,216
Compressor Station	1	\$9,250	\$9,250	0	\$0	\$9,250
EPS	2	\$9,780	\$19,560	273	\$3,410	\$22,970
Landfill	9	\$9,890	\$89,010	64.2	\$802	\$89,812
Petroleum Terminal	1	\$11,480	\$11,480	116.7	\$1,458	\$12,938
Polymeric Coating	1	\$10,100	\$10,100	54.6	\$682	\$10,782
Reinforced Plastics	6	\$5,210	\$31,260	229.6	\$2,868	\$34,128
Utility	10	\$11,910	\$119,100	3192.3	\$39,872	\$158,972
Wood	11	\$6,590	\$72,490	854.7	\$10,675	\$83,165
Others	6	\$10,520	\$63,120	311.3	\$3,888	\$67,008
Utility Turbine	30	\$0	\$0	0	\$0	\$0
Total	79		\$448,110	5294.6	\$66,130	\$514,240

*Note this table does not reflect permit processing costs.

Table 11. Proposed Annual Administrative and Emissions-Based Fees for Title V Permitted Sources*

Source Category	Number of Sources Per Category	Proposed Annual Administrative Fee (\$)	Annual Administrative Revenue	Annual Emissions Per Category (Tons)	Annual Emissions Fee Revenue @ \$13.24/ton	Annual Revenue Per Category
Aerospace	2	\$13,580	\$27,160	198.2	\$2,624	\$29,784
Compressor Station	1	\$9,420	\$9,420	0.0	\$0	\$9,420
EPS	2	\$9,960	\$19,920	273.0	\$3,615	\$23,535
Landfill	9	\$11,800	\$106,200	64.2	\$850	\$107,050
Petroleum Terminal	1	\$17,480	\$17,480	116.7	\$1,545	\$19,025
Polymeric Coating	1	\$11,560	\$11,560	54.6	\$723	\$12,283
Reinforced Plastics	6	\$9,040	\$54,240	229.6	\$3,040	\$57,280
Utility	10	\$8,450	\$84,500	3192.3	\$42,266	\$126,766
Wood	11	\$9,820	\$108,020	854.7	\$11,316	\$119,336
Others	6	\$12,250	\$73,500	311.3	\$4,122	\$77,622
Utility Turbine	30	\$15,130	\$453,900	0.0	\$0	\$453,900
Total	79		\$965,900	5294.6	\$70,101	\$1,036,001

*Note this table does not reflect permit processing costs.

In addition to these changes for Title V sources, annual administrative fees for Non-Title V and general permitted sources, and fees for burn permits, asbestos plan review and notifications, gasoline deliver vessels and earthmoving permits would increase under the proposed amendments to better reflect the share of costs directly related to these programs. Overall, Maricopa County expects annual revenue from Non-Title V and general permitted sources, burn permits, asbestos plan review and notifications, gasoline delivery vessels and earthmoving permits to increase from just under \$5.1 million to approximately \$6.84 million. Most of the categories of permits will be impacted by the increased fees; however, the permit fees for Table E individual permits and Table E general permit will decrease slightly.

Table 12 reflects the annual revenue from Non-Title V and general permitted sources under the proposed amendments. The Non-Title V source must pay an annual administrative fee which includes a portion of the permit processing fee for permit renewal. For a source that is covered under a general permit, the fee structure is based on fixed amounts for obtaining an authorization to operate and an annual administrative fee. The Non-title V and general permit annual fees include 1/5 of permit processing fee for permit renewal as well as the annual costs for inspection, emission inventory, and regulatory activities. The structure allows the Non-Title V source to pay approximately the same fee each year and avoid the second fee due every 5 years at permit renewal. For the number of permit renewal actions, the department assumed 1/5 of the existing permits would be renewed per year.

Table 12. Current and Proposed Annual Administrative Revenue for Permitted Non-Title V and General Permitted Sources

Source Category	Number of Sources	Current Annual Administrative Fee	Estimated Current Annual Administrative Revenue	Proposed Annual Administrative Fee	Proposed Annual Administrative Revenue	Projected Revenue Increase
Table A	152	\$3,300	\$501,600	\$5,880	\$893,760	\$392,160
Table B	351	\$1,380	\$484,380	\$1,660	\$582,660	\$98,280
Table C-D	839	\$380	\$318,820	\$520	\$436,280	\$117,460
Table E	86	\$380	\$32,680	\$370	\$31,820	(\$860)
Table F	42	\$3,300	\$138,600	\$7,380	\$309,960	\$171,360
Table G	65	\$1,380	\$89,700	\$4,780	\$310,700	\$221,000
General Permit Table A	0	\$0	\$0	\$3,580	\$0	\$0
General Permit Table B	0	\$0	\$0	\$1,190	\$0	\$0
General Permit Table C	497	\$320	\$159,040	\$380	\$188,860	\$29,820
General Permit Table D	1,246	\$360	\$448,560	\$380	\$473,480	\$24,920
General Permit Table E	348	\$310	\$107,880	\$290	\$100,920	(\$6,960)
Total	3,626		2,281,260		3,328,440	1,047,180

Table 13 shows the annual revenue estimates for burn permits, asbestos plan review and notification, and gasoline delivery vessel fees.

Table 13. Current and Proposed Annual Fees for Burn Permits, Asbestos, and Tank Trucks

Source Category	Number of Permits	Current Fee	Current Estimated Annual Revenue	Proposed Fee	Proposed Annual Revenue	Projected Revenue Increase
Burn Permit Tumbleweeds	7	\$50	\$350	\$100	\$700	\$350
Burn Permit Fire Hazard	1	\$50	\$50	\$100	\$100	\$50
Burn Permit Fire Fighting Instruction	9	\$50	\$450	\$100	\$900	\$450

Burn Permit Ditch Bank/Fence Row	78	\$50	\$3,900	\$100	\$7,800	\$3,900
Burn Permit Disease/Pest prevention	1	\$62	\$62	\$100	\$100	\$38
Burn Permit Land Clearance (< 5 acres)	30	\$74	\$2,220	\$150	\$4,500	\$2,280
Burn Permit Land Clearance (>= 5 acres)	3	\$144	\$432	\$350	\$1,050	\$618
Burn Permit Land Clearance (Air Curtain Destructor 30 days)	1	\$249	\$249	\$350	\$350	\$101
Asbestos	550	\$425	\$233,750	\$1,060	\$583,000	\$349,250
Tank Trucks	721	\$115	\$82,915	\$280	\$201,880	\$118,965
Total	1,401		\$324,378		\$800,380	\$476,002

Finally, Table 14 shows the annual revenue estimates from dust control permits.

Table 14. Current and Proposed Annual Fees for Dust Control Permits

Source Category	Number of Permits	Acreage	Current Flat Fee Per Permit	Current Per Acre Fee	Current Total Annual Revenue	Proposed Flat Fee	Proposed Per Acre Fee	Proposed Total Revenue	Projected Revenue Increase
Annual Block Permit	28	0	\$2,000	\$0	\$56,000	\$2,000	\$0	\$56,000	\$0
Dust Control Permit (0.1<1.0 acres)	1637	942.6	\$75	\$0	\$122,775	\$150	\$0	\$245,550	\$122,775
Dust Control Permit (1.0 to 10 acres)	1468	5520.6	\$110	\$36	\$360,223	\$150	\$36	\$418,943	\$58,720
Dust Control Permit (> 10 acres)	1016	50772.8	\$110	\$36	\$1,939,580	\$150	\$36	\$1,980,220	\$40,640
Temporary Special Event Permit	12	0	\$0	\$0	\$0	\$620	\$0	\$7,440	\$7,440
Total	4,161	57236.1			\$2,478,578			\$2,708,153	\$229,575

Summary

In summary, MCAQD estimates in fiscal year 2006 air quality department expenditures (excluding Trip Reduction and Voluntary Vehicle Repair and Retrofit programs which are grant funded) to be approximately \$11.1 million. MCAQD estimates fiscal year 2006 revenues with proposed amendments to

be \$11.1 million. The fiscal year 2006 revenue projections include \$9.4 million in fee revenue from proposed fee amendments, \$1.1 million in U.S. Environmental Protection Agency grant funding, and \$0.6 million in miscellaneous revenues. MCAQD expects an increase in revenues from these rule amendments will be sufficient to efficiently and effectively operate its air permit program.

Table 15 summarizes the fiscal year 2006 fee revenue projections with the proposed amendments.

Table 15. Fiscal Year 2006 Fee Revenue Projections

<u>Permit Processing Fees</u>	Estimated Current Revenue	Estimated Proposed Revenue	Projected Revenue Increase
Title V	\$692,061	\$1,064,709	\$372,648
Non-Title V Table A	\$60,211	\$92,632	\$32,421
Non-Title V Table B	\$95,907	\$147,550	\$51,642
Non-Title V Table C	\$41,500	\$62,111	\$20,611
Non-Title V Table D	\$2,600	\$4,763	\$2,163
Non-Title V Table E	\$850	\$2,333	\$1,483
Non-Title V Table F	\$42,583	\$65,513	\$22,929
Non-Title V Table G	\$27,926	\$42,962	\$15,037
Non-Title V Subtotal	\$271,577	\$417,863	\$146,286
Permit Processing Subtotal	\$963,638	\$1,482,572	\$518,934
<u>Annual Fees</u>			
Title V Administrative Fee	\$448,110	\$965,900	\$517,790
Title V Emission Based Fee	\$66,130	\$70,101	\$3,971
Title V Subtotal	\$514,240	\$1,036,001	\$521,761
Non-Title V Table A	\$501,600	\$893,760	\$392,160
Non-Title V Table B	\$484,380	\$582,660	\$98,280
Non-Title V Table C-D	\$318,820	\$436,280	\$117,460
Non-Title V Table E	\$32,680	\$31,820	(\$860)
Non-Title V Table F	\$138,600	\$309,960	\$171,360
Non-Title V Table G	\$89,700	\$310,700	\$221,000
General Permit Table A	\$0	\$0	\$0
General Permit Table B	\$0	\$0	\$0
General Permit Table C	\$159,040	\$188,860	\$29,820
General Permit Table D	\$448,560	\$473,480	\$24,920
General Permit Table E	\$107,880	\$100,920	(\$6,960)
Non-Title V and General Permit Subtotal	\$2,281,260	\$3,328,440	\$1,047,180
Burn Permit Tumbleweeds	\$350	\$700	\$350
Burn Permit Fire Hazard	\$50	\$100	\$50
Burn Permit Fire Fighting Instruction	\$450	\$900	\$450
Burn Permit Ditch Bank/Fence Row	\$3,900	\$7,800	\$3,900

Burn Permit Disease/Pest prevention	\$62	\$100	\$38
Burn Permit Land Clearance (< 5 acres)	\$2,220	\$4,500	\$2,280
Burn Permit Land Clearance (>= 5 acres)	\$432	\$1,050	\$618
Burn Permit Land Clearance (Air Curtain Destructor 30 days)	\$249	\$350	\$101
Asbestos	\$233,750	\$583,000	\$349,250
Tank Trucks	\$82,915	\$201,880	\$118,965
Burn Permit, Asbestos, Tank Truck Subtotal	\$324,378	\$800,380	\$476,002
Annual Block Permit	\$56,000	\$56,000	\$0
Dust Control Permit (parcels 0.1<1.0 acres)	\$122,775	\$245,550	\$122,775
Dust Control Permit (parcels 1.0 to 10 acres)	\$360,222	\$418,942	\$58,720
Dust Control Permit (> 10 acres)	\$1,939,581	\$1,980,221	\$40,640
Temporary Special Event Permit	\$0	\$7,440	\$7,440
Dust Control Subtotal	\$2,478,577	\$2,708,152	\$229,575
Annual Fee Subtotal	\$5,598,455	\$7,872,973	\$2,274,518
Grand Total	\$6,562,093	\$9,355,545	\$2,793,452

Small Business Impact

MCAQD has considered a variety of methods to reduce the impact of this rule on small businesses, as prescribed in A.R.S. § 41-1035. These methods include: establishing less stringent compliance or reporting requirements, establishing less stringent schedules and deadlines for compliance or reporting requirements, consolidating or simplifying the rulemaking's reporting requirements, establishing performance requirements to replace design or operational standards, and exempting small businesses from some or all of the rule requirements. The statutory directive that permit fees must be related to costs prohibits MCAQD from implementing almost any of these methods for determining fees for small businesses. As a result, permit fees are based on regulatory costs rather than size of the source.

Two possible exceptions have already been implemented. As evident in Rule 230 (General Permits), authority to operate under general permits is available at a somewhat reduced cost when compared to individual permits. General permits tend to be used by smaller sources. In addition, no source under a general permit is subject to the permit-processing fee. The Department reduced the inspection frequency for Non-Title V sources in 2003 and is not proposing to increase frequency in this action. Most small sources fall into Non-Title V categories that will not be subject to increased inspection frequency.

10. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: Dena Konopka, Air Quality Department
Address: 1001 North Central Avenue, Suite #695
Phoenix, AZ 85004
Telephone Number: 602-506-4057
Fax Number: 602-506-6179
Email Address: dkonopka@mail.maricopa.gov

11. Time, place, and nature of the proceedings for the making, amendment, or repeal of the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

Oral Proceeding: Monday, May 2, 2005, 9:00 a.m.
Close of comment: Tuesday, May 3, 2005, 5:00 p.m.
Location: Maricopa County Air Quality Department
1001 N. Central Avenue, Phoenix, AZ
Conference Room 560
Please call 602-506-6443, for special accommodations pursuant to the American Disabilities Act

12. Other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

None

13. Incorporations by reference and their location in the rules:

40 CFR 60, Appendix F	Rule 280, Section 305.1(a)(1)
40 CFR 75, and all accompanying appendices	Rule 280, Section 305.1(a)(1)

14. The full text of the rule follows:

REGULATION II - PERMITS AND FEES

**RULE 280
FEES**

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Revised 07/13/88
Revised 08/05/91
Revised 11/15/93
Revised 08/19/98
Revised 03/15/00
Revised 05/21/03
Revised 04/07/04

**MARICOPA COUNTY
AIR POLLUTION CONTROL REGULATIONS**

REGULATION II - PERMITS AND FEES

**RULE 280
FEES**

SECTION 100 - GENERAL

101 PURPOSE: To establish fees to be charged to owners and operators of sources of air pollution subject to these rules.

102 APPLICABILITY: Every person owning/operating equipment or engaged in activities that may cause or contribute to air pollution is subject to the prescribed fees in this rule.

SECTION 200 - DEFINITIONS: For the purpose of this rule, the following definitions shall apply:

201 ANNUAL ADMINISTRATIVE FEE – Paid annually by a source to recover the average cost of services required to administer the permit and conduct inspections.

202 BILLABLE PERMIT ACTION - The review, issuance or denial of a new permit, significant permit revision, or minor permit revision, or the renewal of an existing permit.

203 EXISTING SOURCE - A source that has commenced construction and has been issued a permit pursuant to ARS §49-480 after September 1, 1993.

204 ITEMIZED INVOICE - A breakdown of the permit processing time into the categories of pre-application activities, completeness review, substantive (technical) review, and public involvement activities, and within each category, a further breakdown by employee name.

205 NON-MAJOR TITLE V SOURCE – A source required to obtain a Non-Title V permit under Rule 200 to which both of the following apply:

205.1 The source is classified as a Synthetic Minor Source, and

205.2 The source has a permit that contains allowable emissions greater than or equal to 50% of the major source threshold.

206 **REGULATED AIR POLLUTANT** - For the purposes of Section 305, consists of the following air pollutants:

206.1 Any conventional air pollutant as defined in ARS §49-401.01, which means any pollutant for which the Administrator of EPA has promulgated a primary or a secondary national ambient air quality standard (NAAQS) except carbon monoxide (i.e., for nitrogen oxides (NO_x), lead, sulfur oxides (SO_x) measured as sulfur dioxides (SO₂), ozone, and particulates).

206.2 Nitrogen oxides (NO_x) and volatile organic compounds (VOCs).

206.3 Any air contaminant that is subject to a standard contained in Rule 360 (New Source Performance Standards) of these rules or promulgated under Section 111 (Standards Of Performance For New Stationary Sources) of the Act.

206.4 Any hazardous air pollutant (HAP) as defined in ARS §49-401.01 or listed in Section 112(b) (Hazardous Air Pollutants; List Of Pollutants) of the Act.

206.5 Any Class I or II substance listed in Section 602 (Stratospheric Ozone Protection; Listing Of Class I And Class II Substances) of the Act.

207 **SOURCES REQUIRED TO HAVE A TITLE V PERMIT** - The following sources shall be considered sources required to have a Title V permit:

207.1 Any source required to have a Title V permit under Rule 200, Section 302;

207.2 Any source that qualifies for a Non-Title V permit but that elects to have a Title V permit under Rule 200, Section 302.

SECTION 300 - STANDARDS

301 TITLE V PERMIT FEES: The owner or operator of a source required to have a Title V permit shall pay fees according to the following provisions:

301.1 Fees for Billable Permit Actions: The owner or operator of a Title V source shall pay ~~\$66.00~~ \$108.00 per hour, adjusted annually under Section 304, for all permit processing time required for a billable permit action. The fee shall be paid as follows:

a. An application shall be submitted with the applicable fee from the table below:

Type of Application	Application Fee
New permit application	\$7,000
Significant permit revision application that is a result of a major modification	\$7,000
Other significant permit revision applications	\$1,000
Minor permit revision application	\$150
Permit renewal application	\$3,500

b. At any time after submittal of the application, the Control Officer may request additional application fees based on the cost to date of reviewing and acting on the application, minus all fees previously submitted for the application.

c. When permit processing is completed for a facility, the Control Officer shall send an itemized invoice. The invoice shall indicate the total actual cost of reviewing and acting upon the application, all fees previously submitted, and the balance due.

d. The maximum fee for processing permit applications listed in subsection 301.1 is \$40,000.00.

e. The Control Officer shall not issue a permit or permit revision until the balance due on the itemized invoice is paid in full.

301.2 Annual Fees: The owner or operator of a Title V source shall pay an annual administrative fee plus an emissions-based fee as follows:

- a. The applicable annual administrative fee from the table below, as adjusted annually under Section 304. The fee is due on the first anniversary date of the initial permit covering construction and startup of operations and annually thereafter on that date.

Title V Source Category	Annual Administrative Fee
Aerospace	\$10,700 <u>\$13,580</u>
Cement Plants	\$39,500 <u>\$44,520</u>
Combustion/Boilers	\$9,200 <u>\$10,820</u>
Compressor Stations	\$8,700 <u>\$9,420</u>
Expandable Foam	\$9,200 <u>\$9,960</u>
Landfills	\$9,300 <u>\$11,800</u>
Lime Plants	\$37,000 <u>\$41,700</u>
Copper & Nickel Mines	\$9,300 <u>\$10,480</u>
Gold Mines	\$9,300 <u>\$10,480</u>
Paper Mills	\$12,700 <u>\$14,310</u>
Petroleum Products Terminal Facilities	\$10,800 <u>\$17,480</u>
Polymeric Fabric Coaters	\$9,500 <u>\$11,560</u>
Reinforced Plastics	\$4,900 <u>\$9,040</u>
Semiconductor Fabrication	\$10,800 <u>\$18,830</u>
Copper Smelters	\$39,500 <u>\$44,520</u>
Utilities – Primary Fuel Natural Gas	\$11,200 <u>\$8,450 + \$15,130 per turbine installed/modified after May 10, 1996 and subject to annual source testing or CEM RATA* certifications</u>
Utilities - Fossil Fuel Except Natural Gas	\$20,200 <u>\$22,760</u>
Vitamin/Pharmaceutical Manufacturing	\$6,200 <u>\$11,050</u>
Wood Furniture	\$6,200 <u>\$9,820</u>
Others	\$9,900 <u>\$12,250</u>
Others with Continuous Emissions Monitoring	\$12,700 <u>\$14,320</u>

*Continuous emissions monitoring relative accuracy test audit (CEM RATA)

- b. An emissions-based fee of ~~\$41.75~~ \$13.24 per ton of actual emissions of all regulated pollutants emitted during the previous calendar year as determined by Section 305. The fee is adjusted annually under Section 304.

302 NON-TITLE V PERMIT FEES: The owner or operator of a source required to have a Non-Title V permit under Rule 200, Section 303 shall pay fees according to the following provisions:

302.1 Fees for Billable Permit Actions: Except for the renewal of an existing permit, the owner or operator of a Non-Title V source ~~listed in Table A (subsection 403.1) or Table B (subsection 403.2)~~ shall pay to the Control Officer ~~\$66.00~~ \$108.00 per hour, adjusted annually under Section 304 of this rule, for all permit processing time required for a billable permit action. The minimum fee due shall be \$200.00. ~~The owner or operator of a Non-Title V source facility listed in Table C, D, or E (subsection 403.3-5) shall pay the applicable fees from the table in subsection 302.1(a) below for a billable permit action.~~ The fee shall be paid as follows:

- ~~a.~~ An application shall be submitted with ~~the applicable~~ an application fee from the table below: of \$200.00.

Type of Application	Application Fee
New permit application	\$350
Non-minor permit revision application	\$350
Minor permit revision application	\$150
Permit renewal application	Not required

- b. At any time after the submittal of an application ~~for a facility listed in Table A or Table B,~~ the Control Officer may request an additional application fee based on the cost to date of reviewing and acting on the application, minus all fees previously submitted for the application.
- c. When permit processing is completed ~~for a facility listed in Table A and Table B~~ and final costs are greater than the fee submitted with the application under subsection 302.1(a), the Control Officer shall send an itemized invoice. The

invoice shall indicate the total cost of reviewing and acting upon the application, all fees previously submitted, and the balance due.

- d. The maximum fee for processing permit applications listed in subsection 302.1 is \$25,000.00.
- e. The Control Officer shall not issue a permit or permit revision until the balance due on the itemized invoice is paid in full.

302.2 Annual Fees: The owner or operator of an existing Non-Title V source shall pay the applicable annual administrative fee from the table below, as adjusted annually under Section 304. The annual administrative fee covers the cost of renewing a Non-Title V permit. The fee is due on the first anniversary date of the initial permit covering construction and startup of operations and annually thereafter on that date. Source categories designated as Tables A-G are listed in subsections 403.1-7.

Non-Title V Source Type	Annual Administrative Fee
Source listed in Table A	\$3,100 <u>\$5,880</u>
Source listed in Table B	\$1,300 <u>\$1,660</u>
Source listed in Tables C – E	\$360
<u>Source listed in Table C – D</u>	<u>\$520</u>
<u>Source listed in Table E</u>	<u>\$370</u>
Source listed in Table F	<u>\$7,380</u>
<u>Source listed in Table G</u>	<u>\$4,780</u>

303 GENERAL PERMIT FEES: The owner or operator of a source required to obtain a permit pursuant to these rules who elects to be covered by a general permit shall pay fees according to the following provisions:

303.1 Fees Due with an Application: The owner or operator of a source initially applying for authorization to operate under a General Permit shall pay the applicable fee from the table below with the submittal of the application. Source categories designated as Tables ~~A-E~~ A-G are listed in subsections ~~403.1-5~~ 403.1-7 of this rule.

Source Category Table	Application Fee
Title V General Permits	Administrative Fee from <u>Section 301.2.a</u> Title V table for <u>Title V</u> source category
Table A	\$ 3,000 <u>\$3,580</u>
Table B	\$1,000 <u>\$1,190</u>
Table C - <u>D</u>	\$300 <u>\$380</u>
Table D	\$335
Table E	\$290 <u>\$290</u>
<u>Table F</u>	<u>\$6,200</u>
<u>Table G</u>	<u>\$4,030</u>

303.2 Annual Fee: The owner or operator of a source with an authorization to operate under a General Permit shall pay the applicable annual administrative fee from the table below, as adjusted annually under Section 304. The annual administrative fee covers the cost of reapplying for authorization to operate under a General Permit. The fee is due on the first anniversary date of the initial approval to operate under a General Permit and annually thereafter on that date. Source categories designated as Tables A-E are listed in subsections 403.1-5

Source Category Table	Administrative & Permit Renewal Fee
Title V General Permits	Administrative Fee from <u>Section 301.2.a</u> Title V table for <u>Title V</u> source category
Table A	\$ 3,000 <u>\$3,580</u>
Table B	\$1,000 <u>\$1,190</u>
Table C - <u>D</u>	\$300 <u>\$380</u>
Table D	\$335
Table E	\$290 <u>\$290</u>
<u>Table F</u>	<u>\$6,200</u>
<u>Table G</u>	<u>\$4,030</u>

304 ANNUAL ADJUSTMENT OF FEES:

304.1 The Control Officer shall adjust the hourly rate every January 1, to the nearest 10 cents per hour, beginning on January 1, ~~2004~~ 2006. The Control Officer will multiply ~~\$66.00~~ \$108.00 by the Consumer Price Index (CPI) for the most recent year as described in subsection 304.4, and then divide by the CPI for the year ~~2001~~2004.

304.2 The Control Officer shall adjust the administrative or permit processing fees listed in Sections 301-303 every January 1, to the nearest \$10, beginning on January 1, ~~2004~~2006. The Control Officer will multiply the administrative or permit processing fee by the Consumer Price Index (CPI) for the most recent year as described in subsection 304.4, and then divide by the CPI for the year ~~2001~~2004.

304.3 The Control Officer shall adjust the rate for emission-based fees every January 1, beginning on January 1, ~~2004~~2006. The Control Officer will multiply ~~\$11.75~~\$13.24 by the Consumer Price Index (CPI) for the most recent year as described in subsection 304.4, and then divide by the CPI for the year ~~2001~~2004.

304.4 The Consumer Price Index for any year is the average of the monthly Consumer Price Index for all urban consumers published by the United States Department of Labor, as of the close of the 12-month period ending on August 31 of that year.

305 CALCULATION AND PAYMENT OF EMISSION FEES:

305.1 For purposes of this subsection, actual emissions means the actual quantity of regulated air pollutants emitted over the preceding calendar year or any other period determined by the Control Officer to be representative of normal source operations, determined as follows:

a. Emissions quantities, including fugitive emissions, reported under Rule 100, Section 500 shall be used for purposes of calculating the permit fee to the extent they are calculated in a manner consistent with this paragraph. Acceptable methods for calculating actual emissions under Rule 100, Section 500 include the following:

(1) Emissions estimates calculated from continuous emissions monitors certified under 40 CFR Part 75, Subpart C and referenced appendices, or data quality assured pursuant to Appendix F of 40 CFR, Part 60. 40 CFR Part 75 and referenced appendices and 40 CFR Part 60 Appendix F

adopted as of July 1, 2001, (and no future additions) are incorporated by reference.

- (2) Emissions estimates calculated from source performance test data.
 - (3) Emissions estimates calculated from material balance using engineering knowledge of process.
 - (4) Emissions estimates calculated using AP-42 emissions factors.
 - (5) Emissions estimates calculated by equivalent methods approved by the Control Officer. The Control Officer shall only approve methods that are demonstrated as accurate and reliable as the applicable method in items (1) through (4) of this paragraph.
- b. Actual emissions shall be determined for each source on the basis of actual operating hours, production rates, in-place process control equipment, operational process control data, and types of materials processed, stored, or combusted.
- 305.2** The following emissions of regulated air pollutants shall be excluded from a source's actual emissions for purposes of this section:
- a. Emissions of a regulated air pollutant from the source in excess of 4,000 tons per year.
 - b. Emissions of any regulated air pollutant that are already included in the fee calculation for the source, such as a federally listed hazardous air pollutant that is already accounted for as a VOC or as PM₁₀.
 - c. Emissions from insignificant activities excluded from the permit for the source under Rule 210.
 - d. Fugitive emissions of PM₁₀ from activities other than crushing, belt transfers, screening, or stacking.

e. Fugitive emissions of VOC from solution-extraction units.

305.3 A notice to pay the fee specified in subsection 301.2.b. and a declaration of emissions form will be mailed annually to the owner or operator of a source to which this subsection applies, along with the annual emission inventory questionnaire. The emission fee is due and payable by April 30 each year or by the ninetieth (90th) day following the date of notice, whichever is later.

306 HEARING BOARD FILING FEE: A person filing a petition with the Hearing Board shall pay a fee of \$100.00. This fee may be refunded by a majority vote of the Hearing Board upon a showing of undue hardship.

307 CONDITIONAL ORDER FEE: Any person applying for a conditional order pursuant to Rule 120 shall pay a conditional order fee. The amount of a conditional order fee shall be equal to the amount of the applicable permit fee as specified in this rule.

308 GASOLINE DELIVERY VESSEL FEE: A person wishing to obtain a decal for each gasoline delivery vessel that passes the required annual test under Rule 352 shall pay a fee of ~~\$115.00~~ \$280.00.

309 PERMIT TO BURN FEE: A person applying for a Permit to Burn shall pay a fee as set forth in the following fee schedule:

Fire Category	Permit Period	Fee
Tumbleweeds	30 days	\$ 50.00 <u>\$100.00</u>
Fire Hazard	30 days	\$ 50.00 <u>\$100.00</u>
Fire Fighting Instruction	1 year	\$ 50.00 <u>\$100.00</u>
Ditch Bank/Fence Row	1 year	\$ 50.00 <u>\$100.00</u>
Disease/Pest Prevention	30 days	\$ 62.00 <u>\$100.00</u>
Land Clearance	30 days	
Less than 5.0 acres		\$ 74.00 <u>\$150.00</u>
5.0 acres or greater		\$144.00 <u>\$350.00</u>
Air Curtain Destructor	30 days	\$ 249.00 <u>\$350.00</u>

310 ~~EARTH MOVING PERMIT~~ DUST CONTROL PERMIT FEE: A person applying for ~~an Earth Moving Permit~~ a Dust Control Permit shall pay an annual fee as set forth in the following fee schedule, based on the total surface area that is disturbed:

Total Surface Area Disturbed	Fee
Annual Block Permit	\$2000.00
<u>Temporary Special Event Permit</u>	<u>\$620.00</u>
0.1 to less than one acre	\$75.00 <u>\$150.00</u>
One acre or greater	\$36.00 per acre plus \$110.00 <u>\$150.00</u>
Example: 6 acres = 6 x \$36.00 + \$110 <u>\$150.00</u> = \$326 <u>\$366</u>	

311 ASBESTOS NOTIFICATION AND PLAN REVIEW FILING FEE: Any person required to file notification under the provisions of Rule 370 of these rules shall pay a fee as follows:

311.1 Any person filing notification of a project to renovate regulated asbestos-containing materials shall pay a nonrefundable notification and plan review filing fee of ~~\$425.00~~ \$1,060.00.

311.2 Any person filing notification of a project to demolish a facility (as defined in 40 CFR 61, Subpart M) shall pay a nonrefundable notification and plan review filing fee of ~~\$425.00~~ \$1060.00.

312 LATE FEE: The Control Officer shall assess the following fees in addition to all other applicable fees:

312.1 TITLE V, NON-TITLE V OR GENERAL PERMIT: ~~An applicant for a required permit for a source that has been constructed without such permit and who has received a Notice of Violation shall pay a late fee of \$70.00. An applicant for a required permit who has received a Notice of Violation for constructing without such permit or for failing to file a timely application to renew such permit shall pay a late fee of \$100.00.~~

312.2 ~~EARTH MOVING PERMIT~~ DUST CONTROL PERMIT: Any person who is ~~conducting earth moving activity~~ engaging in dust generating operations without ~~an Earth Moving a Dust Control~~ Permit and has received a Notice of Violation for ~~operating the earth moving equipment~~ engaging in a dust generating operations without ~~an Earth Moving a Dust Control~~ Permit shall pay a late fee of ~~\$70.00~~ \$100.00.

- 313 DELINQUENCY FEE:** An applicant or permittee who fails to pay any required fee(s) by 30 days after invoice due date shall pay a delinquency fee of ~~\$35.00~~ \$50.00 or a delinquency fee of ~~\$70.00~~ \$100.00 if delinquent over 60 days from the invoice due date. Applicants and permittees will be notified by mail of any permit delinquency fees that are due and payable.
- 314 SUBSCRIPTION FEE FOR RULE REVISIONS:** A person requesting to be placed on a mailing list to receive copies of new and revised rules shall pay to the Control Officer an annual subscription fee of \$35.00.
- 315 ACCELERATED PERMIT PROCESSING:** An applicant requesting accelerated permit processing shall pay fees to the Control Officer according to the following provisions:
- 315.1** Such a request shall be accompanied by an initial fee of \$15,000. The fee is nonrefundable to the extent of the Control Officer's costs for accelerating the processing if the Control Officer undertakes to provide accelerated processing as described in Rule 200, Section 313 of these rules.
- 315.2** At any time after an applicant has requested accelerated permit processing, the Control Officer may request an additional advance payment fee based on the most recent estimated cost of accelerating the processing of the application.
- 315.3** Upon completion of permit processing activities but before issuing or denying a permit or permit revision, the Control Officer shall send notice of the decision to the applicant along with a final invoice. The final invoice shall include all regular permit processing and other fees due, as well as the difference between the actual cost of accelerating the permit application, including any costs incurred by the Control Officer in contracting for, hiring, or supervising the work of outside consultants, and all advance payments submitted for accelerated processing. In the event all payments made exceed actual accelerated permit costs, the Control Officer shall refund the excess advance payments.
- 315.4** Any additional costs incurred as a result of accelerated permit processing shall not be applied toward any applicable maximum fee described in this rule.
- 316 FAILURE TO PAY REQUIRED FEES:** Nonpayment of fees required by this rule constitutes a violation as provided in ARS 49-502, 49-511 and 49-513.

SECTION 400 - ADMINISTRATIVE REQUIREMENTS

401 TRANSITION TO REVISED FEES: The revised fees, except for the emissions fee, in this rule shall become effective July 1, ~~2003~~ 2005. The revised emissions fee shall become effective January 1, ~~2004~~ 2006, beginning with the emissions reported for calendar year ~~2003~~ 2005.

402 PAYMENT OF FEES: All fees required by this rule shall be payable to Maricopa County ~~Environmental Services~~ Air Quality Department.

402.1 Annual Administrative Fees:

a. Title V and Non-Title V Permits: The Control Officer shall mail the owner or operator of a Title V or Non-Title V source an invoice for the annual administrative fee due under subsections 301, 302, and 303 at least 30 days prior to the anniversary date of the permit.

b. General Permits: The Control Officer shall mail the owner or operator of source authorized to operate under a General Permit an invoice for the annual administrative fee due under subsection 303 at least 30 days prior to the anniversary date of the authorization to operate.

402.2 Gasoline Delivery Vessel Decal Fee: Gasoline delivery vessel decal fee shall be paid at the time the application is submitted showing satisfactory test results prior to the issuance of the sticker required in the provisions of Rule 352.

402.3 Asbestos Removal Notification and Plan Review Fee: The asbestos removal notification and plan review filing fee shall be paid at the time the notification is submitted. The notification is not considered filed until the appropriate filing fee is paid.

402.4 Other Fees: Other fees shall be paid in the manner and at the time required by the Control Officer.

403 TABLE A, TABLE B, TABLE C, TABLE D, ~~AND~~ TABLE E, TABLE F, AND TABLE G SOURCES: For processes and equipment not listed below, the Control Officer will designate either Table A, Table B, Table C, Table D, ~~or~~ Table E, Table F, or Table G

applicability. Sources reclassified to a higher fee category due to the receipt of 3 complaints on different dates during a one year period from different individuals resulting in violations resolved by an order of abatement by consent or judicial action shall remain in that classification until two calendar years pass without complaints against the facility resulting in violations resolved by an order of abatement by consent or judicial action.

403.1 Table A Sources:

Aircraft Manufacturing
 Chemical Manufacturing, Dry
 Chemical Manufacturing, Liquid
 Circuit Board Manufacturing ≥ 5 Tons per Year VOC
 Coating Line, Can/Coil/Fabric/Film/Glass/Paper
 Ethylene Oxide Sterilization
 Gypsum, Calcining
~~Hot Mix Asphalt Plant~~
 Incinerator, Medical Waste
 Incinerator, Hazardous Material
 Insulation Manufacturing
 Jet Engine Manufacturing
 Non-Major Title V Source
 Pesticide/Herbicide Production
 Petroleum Loading Racks and Storage Tanks at Bulk Terminals
 Pharmaceutical Manufacturing
 Polymeric Foam Products ≥ 25 Tons per Year Potential Uncontrolled VOC Emissions or Facility with Controls
 Printing Facilities ≥ 25 Tons per Year Potential Uncontrolled VOC Emissions or Facility with Controls
 Rendering
 Rubber Products Manufacturing
 Semiconductor Manufacturing without VOC Control and < 25 Tons per Year of Potential Uncontrolled VOC Emissions
 Solid Waste Landfill
 Source Subject to BACT Determination
 Source Subject to a MACT, NESHAPS or NSPS standard under
 CAA Section 111 or 112 unless otherwise identified in another table
 Source with 3 or more Table B Processes
~~Tennis Ball Manufacturing~~
 Vegetable Oil Extraction

403.2 Table B Sources:

Aerospace Products Manufacturing & Rework not subject to MACT
~~Aggregate Production/Crushing, All~~
Aggregate Screening
Animal Feed Processing
Auto Body Shredding
Bakery with Oven of 25 Tons per year of Potential Uncontrolled VOC emissions
or facility with controls
Boiler, gas fired, with ≥ 10 MMbtu/hr (includes units subject to the NSPS)
Chemical/Fertilizer Storage, Mixing, Packaging and Handling
~~Concrete Batching~~
Concrete Product Manufacturing
Cotton Gin
Cotton Seed Processing
Crematory
Cultured Marble
Fiberglass Product Manufacturing
Flour Milling
Foundry
Furnace, Metals
Furnace, Burn-Off
Furnace, Electric Arc
Furnace, Other
Gas Turbine, Non-Utility (Utility in Table A)
Grain Cleaning/Processing
Grain Storage
Incinerator, Non-Hazardous Material
Internal Combustion Engine, ~~Cogeneration~~ other than Emergency
Pipeline Transmission Facility
Plating Tanks, Electrolytic or Electrowinning (includes decorative chrome and
hard chrome operations 60 million amp/hrs per year subject to MACT)
Polymeric Foam Products without control and < 25 Tons per Year Potential
Uncontrolled VOC Emissions
Reinforced Plastics
Rubber Products Manufacturing with only Molding
Soil Treatment/Remediation

Soil Solvent Extraction System with Package Thermal/Catalytic
Oxidizer/Carbon Adsorption

Solvent Degreasing/Cleaning System, Solvent Use >3 gallons per day

Solvent Reclaiming

Source with 3 or more Table C Processes

Stage I Vapor Recovery, Bulk Plants with Loading Racks

Stripping Operation, Equipment or Furniture Refurbishment

Stripping Operation, Liquid Chemical Groundwater/Wastewater Remediation

Tire Shredding/Retreading

Wood Coating Operation subject to RACT including Furniture/Millwork

Sources larger than 10 TPY VOC

Any Table C source that receives 3 complaints on different dates during a one year
period from different individuals resulting in violations resolved by an
order of abatement by consent or judicial action.

403.3 Table C Sources:

Abrasive Blasting

Asphalt Day Tanker/Kettle

Cement Products Packaging

Circuit Board Assembly

Circuit Board Manufacturing <5 Tons per Year of VOC

Dry Cleaning

Emergency Internal Combustion Engine

Incinerator, Paper and Cardboard Products

Miscellaneous Solvent Use

Packaging, Mixing & Handling, Granular or Powdered Material other than Cement
or Grain

Petroleum Storage, Non-retail Dispensing Operations exempted from Stage I
Vapor Recovery by Rule 353

Plastic or Metal Extrusion

Plating, Electroless

Powder Coating

Printing Facilities without Control and < 25 Tons per Year of Potential
Uncontrolled VOC Emissions

Solvent Cleaning, < 3 Gallons Per Day

Spray Coating

Bulk Plant Loading Facilities as Defined by Rule 351, Section 305.1

Storage Tank, Non-Petroleum Volatile Organic Compounds

Vehicle Refinishing

Wood Furniture/ Millwork/ Small Source less than 10 TPY VOC

403.4 Table D Sources:

Service Station and ~~larger~~ Non-resale Dispensing Operations > 120,000 gallons per year

403.5 Table E Sources:

Fuel Burning Equipment

403.6 Table F Sources:

Aggregate Production/Crushing subject to an NSPS under CAA Section 112

Hot Mix Asphalt Plants

Semiconductor Manufacturing \geq 25 Tons per Year Potential Uncontrolled VOC

Emissions or Facility with Controls

Any Table A or Table G source that receives 3 complaints on different dates during a one year period from different individuals resulting in violations resolved by an order of abatement by consent or judicial action.

403.7 Table G Sources:

Aggregate Production/Crushing not subject to NSPS under CAA Section 112

Concrete Batch Plant

Any Table B source that receives 3 complaints on different dates during a one year period from different individuals resulting in violations resolved by an order of abatement by consent or judicial action.

SECTION 500 - MONITORING AND RECORDS (NOT APPLICABLE)